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Efiled August 8, 2008

Counsel for Timothy S. Cory, Chapter 11
Trustee

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

HDB, LLC,

Debtor.

Chapter 11

No. BK-S-08-10685-BAM

Date: September 9, 2008
Time: 9:30 a.m.

**NOTICE OF HEARING RE: MOTION FOR AUTHORITY TO OBTAIN
CREDIT ON A SUPERPRIORITY ADMINISTRATIVE BASIS
PURSUANT TO 11 U.S.C. § 364(c)(1)**

NOTICE IS HEREBY GIVEN that a Motion for Authority to Obtain Credit on a Superpriority Administrative Basis Pursuant to 11 U.S.C. § 364(c)(1) ("Motion"), was filed on August 8, 2008, by TIMOTHY S. CORY, Chapter 11 Trustee ("Trustee") for the estate of HDB, LLC ("Debtor").

The Motion seeks authorization for the Trustee to borrow up to \$250,000, based upon the following terms and conditions:

1. Loan Amount. Upon the entry of an order of the Bankruptcy Court approving the Loan, funded in accordance with the budget and draw schedule set forth on Exhibit "A". Each draw of the Loan will be funded by Lenders in accordance with each Lender's proportionate share of the Loan as follows:

1 Nevada State Bank 37.25% of the Loan (Up to \$93,125)
 2 Colonial Bank, N.A. 32.93% of the Loan (Up to \$82,325)
 3 TierOne Bank 29.82% of the Loan (Up to \$74,550)
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5 2. Purpose of Loan. The Loan shall be used for working capital for the
 6 preservation and security of that certain residential condominium community known as
 "Mira Villa", in accordance with the budget attached hereto as Exhibit "A".

7 3. Term. The Loan will mature upon the earlier of: (i) November 30, 2008,
 8 (ii) confirmation of a Plan of Reorganization, (iii) dismissal or conversion of the Case to
 9 Chapter 7, or (iv) approval by the Bankruptcy Court and funding of additional post-
 petition financing.

10 4. Interest. Interest shall be charged at a variable rate equal to the sum of the
 11 Prime Rate plus 1.5% per annum. "Prime Rate" shall mean the interest rate established
 12 from time to time by Nevada State Bank as its Prime Rate, based upon its consideration of
 13 economic, money market, business and competitive factors, and it is not necessarily the
 14 most favorable rate of Nevada State Bank or any of the Lenders. Each change in said
 Prime Rate shall, without notice, automatically and immediately change the rate of
 interest charged.

15 5. Payment. Upon maturity, all unpaid principal and accrued interest shall be
 16 due and payable.

17 6. Prepayment. The Loan may be prepaid at any time without premium or
 18 penalty.

19 7. Fees. Lenders waive all loan fees.

20 8. Priority. The Loan shall be approved by the Bankruptcy Court as a post-
 21 petition super priority administrative claim as set forth in an order of the Bankruptcy
 22 Court. The order of the Bankruptcy Court shall also provide for the funding of the Loan
 23 by Lenders as is necessary and approved by Lenders in accordance with the budget and
 24 draw schedule set forth on Exhibit "A", and shall provide for the repayment of the Loan at
 25 maturity, with draws to be funded by Lenders and repayments of the Loan to be made to
 26 the Lenders in accordance with their proportionate share of the Loan as set forth herein.
 Furthermore, Debtor shall waive its right to surcharge Lenders for any Loan proceeds
 disbursed pursuant to this term sheet as a super priority administrative claim.

1 9. Exhibit "A" provides for two draws as follows: (a) Upon Court approval,
2 \$137,808.30; and (b) On October 1, 2008, \$111,926.00; based upon the attached budget.

3 Any Opposition to the Motion must be filed pursuant to Local Rule 9014(d), which
4 states:

5 Oppositions to a motion must be filed and service must be
6 completed on the movant no later than 15 days after the
7 motion is served except as provided by LR 3007(b) and LR
8 9006. If the hearing has been set on less than 15 days' notice,
9 the opposition must be filed no later than 5 business days
10 before the hearing unless the court orders otherwise. The
11 opposition must set forth all relevant facts and any relevant
12 legal authority. An opposition must be supported by affidavits
13 or declarations that conform to the provisions of subsection (c)
14 of this rule.

15 If you object to the relief requested, you *must* file a **WRITTEN** response with the
16 court on or before August 25, 2008. You must also serve your written response on the
17 person who sent you this notice.

18 If you do not file a written response with the court, or if you do not serve your
19 written response on the person who sent you this notice, then:

- 20 • The court *may* refuse to allow you to speak at the scheduled hearing; and
- 21 • The court may *rule against you* without formally calling the matter at the
22 hearing.

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1 NOTICE IS FURTHER GIVEN that the hearing on the Motion will be held before
2 the Honorable Bruce A. Markell, United Bankruptcy Judge in the Foley Federal Building,
3 300 Las Vegas Blvd. South, Third Floor, at Las Vegas, Nevada on September 9, 2008 at
4 the hour of 9:30 a.m.

5 Dated: August 8, 2008.

6 FENNEMORE CRAIG, P.C.

7 /s/ Laurel E. Davis

8 By _____
9 Laurel E. Davis

10 Counsel for Timothy S. Cory,
11 Chapter 11 Trustee
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EXHIBIT “A”

HDB, LLC Expenses through 9/1/08

Aug-08

Monthly Expenses

Security	\$	60,667.00
Phone	\$	1,500.00
Power & Gas	\$	1,300.00
Power Plus Rental	\$	5,071.00
Landscape maintenance	\$	1,734.00

Total Monthly Expenses	\$	70,272.00
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Unpaid Invoices

Insurance	(effective 7/22/08 - 10/22/08)	\$	5,453.71
Isaac Construction	(approved by lenders July 10)	\$	16,526.54

Total Unpaid Invoices	\$	21,980.25
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Total Expenses through 9/1/08	\$	92,252.25
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Cash Available	\$	57,415.95
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Cash Deficiency	\$	(34,836.30)
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HDB, LLC Monthly Expenses

Oct-08

Monthly Expenses

Security	\$	60,667.00
Phone	\$	3,000.00
Power	\$	5,000.00
Gas	\$	1,000.00
Power Plus Rental	\$	5,071.00
Landscape maintenance	\$	1,734.00
Misc. Construction Matters	\$	25,000.00
Cleaning Expense	\$	5,000.00
Insurance Premium	\$	5,454.00
Total Monthly Expenses	\$	111,926.00

HDB, LLC Monthly Expenses

Sep-08

Monthly Expenses

Security	\$ 60,667.00
Phone	\$ 3,000.00
Power	\$ 5,000.00
Gas	\$ 1,000.00
Power Plus Rental	\$ 5,071.00
Landscape maintenance	\$ 1,734.00
Misc. Construction Matters	\$ 10,000.00
Sale & Marketing Expense	\$ 15,000.00
Cleaning Expense	\$ 1,500.00

Total Monthly Expenses	\$ 102,972.00
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